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NSC BRIEFING

12 August 1954

CHINA FLOOD

- I. Chinese Communists now admit flood damage amounts to major disaster.
 - A. Before, insisted things under control, damage slight.
 - B. Now admit 6% China's cultivated land flooded--this some 23,000 square miles, nearly size Indiana.
 - C. Most in rice-rich Central China; normally grows over 10% China's food.
- II. Peiping genuinely surprised.
 - A. Fooled by temporary Yangtze drop at Hankow--late July.

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- B. But river rose again: by 10

 August, allotime record

 August, allotime record

 height--57 feet (previous

 high, in 1931 flood, 53-1/2

 feet).
- III. 1931 flood worst in modern Chinese history.
 - A. Affected an area of 95,000 square miles: did US \$1.3 billion damage.
 - B. Washed out millions in cities, also 25 million farmers.
- IV. Present food purchases abroad insufficient to meet disaster.

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- A. Peiping will buy 50,000 tons of Burmese rice.
- B. But flood will cut crop by several million tons.

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- C. Moreover, Peiping committed to export 270,000 tons rice to Ceylon for rubber; 200,000 tons to USSR.
- V. Peiping's public admission flood damage suggests might now welcome foreign relief.
 - A. Earlier (1 August), had rejected Burmese offer.
 - B. Burmese ambassador was told

 Chinese "not in need of such

 help at this stage."
 - C. Soviet aid likely: Pravda
 first noted flood on 9

 August.
 - D. Peiping's prestige in Orbit, Sino-Soviet "friendship" make gesture necessary.

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- VI. Also precedent for Communist acceptance Western relief.
 - A. East Germany, Hungary have accepted US flood relief,
 Rumania politely declined,
 Czechoslovakia has not replied.
 Hungary also accepted Dutch
 offer of 50,000 guilders
 (US \$13,000).
 - B. East German propaganda plays acceptance of US offer as expression policy of "furthering...international understanding."
- VII. Peiping's position more awkward re possible US offer.
 - A. Has always denied possibility of "genuine friendly aid" from US.

- B. Internal program relies more heavily on anti-American propaganda than do Satellites.
- C. Would certainly prefer aid from Orbit, Asian "neutrals" or other recognizing states.

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